

SB 5810 - DIGEST

Provides that no contract for health studio services may: (1) Charge an annual fee in excess of three thousand six hundred dollars. However, this provision does not apply to contracts relating solely to the use of tennis, platform tennis, or racquetball facilities;

(2) Contain an automatic renewal clause;

(3) Require payments or financing by the buyer over a period that extends more than one month beyond the expiration of the contract. The installment payments must be in substantially equal amounts exclusive of the down payment and are required to be made at substantially equal intervals, not more frequently than one payment per month;

(4) Require the buyer to execute a promissory note or series of promissory notes which, when negotiated, cuts off as to third parties a defense which the buyer may have against the seller.